

Consumer Submission – Inquiry Into the On-Demand Workforce in Victoria

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Impact of on-demand work on the community and consumers

The uptake of consumers accessing services via the on-demand sector demonstrates that the choices and convenience offered have high value to many. The Inquiry invites submissions from consumers, the community and regulators. Answer as many questions as you feel able to. You do not have to answer all questions.

1. What services do you access from the on-demand sector?

Food courier delivery services

2. Why do you access services in this way?

Convenience.

3. What are the benefits that you feel you experience as a consumer of services via the on-demand economy as opposed to other methods?

Food delivery services are cheap and convenient for people like me, who can afford the delivery fee.

But I do have moral qualms.

Benefits to consumers arise from the demand and supply side.

An observation is that there are particular factors at work on the demand side unique to Melbourne:

- Difficulty moving around the city:
 - Traffic and transport congestion,
 - Associated parking problems,
- Concerns about personal safety, especially for females, some migrant groups,
- Weather (heat/cold/wet),
- A growing number of single person households who prefer not to dine alone or cook for one,
- A large number of busy workers/parents who are time poor and technology savvy.

On the supply side in Melbourne there clearly is a large workforce whose characteristics are:

- A large number of international students, mainly male, mainly but not all under 30, many of whom are paying exorbitant fees for training courses – academic and non-academic. And exorbitant rents. i.e. in need of income with few options.
- There are low barriers to entry to courier services – bicycles are cheap, mobile phone and an ABN are all you need. Lights – optional.
- Many people who have no other avenues for making additional funds.
- Many people who are not eligible for Centrelink benefits or other income support or Medicare due to their visas. (A particularly vulnerable group when injured and uninsured and with no income protection or family safety net).
- For some of this workforce the brief camaraderie is important – belong to a group. Forming friendships.

4. How do you as a consumer agree to/negotiate the terms and/or conditions of any services purchased, directly with workers, or with platform businesses? Please describe your experience.

The consumer must choose to tip the courier, or not, when placing the order.

The consumer can track the delivery and knows its mode of transport.

But I cannot be bothered to complain if the food is late/cold/a few chips short.

My understanding is that the courier may have some control in not accepting jobs in geographic locations/from restaurants that are slow with getting their food to the courier and by not working on particularly terrible days weatherwise. They can bump jobs.

5. What do you do if the services are not of an acceptable quality and how successful have you been in accessing compensation or another remedy as a result of sub-standard services being delivered?

Anecdotally there have been reports of cameras catching deliverers taking a few chips from an order. If a wrong order is delivered, or there is a complaint, and provided the restaurant is still open – then another order is dispatched.

6. What options do you feel that you have as a consumer if you suffer any harm when on-demand services are being provided to you or for your benefit?

To complain to the restaurant where I ordered the food from and to the deliverer.

7. In your experience, does the way that on-demand work is completed create any risks to the safety of Victorians, either directly as users of services or indirectly?

The direct risks are mainly to the physical and financial health of the couriers. But people in the streets (Melbourne, larger centres of Victoria) are also at risk if they are inattentive. They have a good chance of being hit by a bike or motor cycle or Uber driver looking for their pick up or drop off point. People are not cycle aware.

Whilst couriers are meant to have lights on when its dark, and are not meant to ride electric bikes at speed there is no monitoring and compliance.

Couriers with lights find they are frequently stolen while they wait for their food to be ordered. Lights are expensive. Many of the electric bikes are illegal, as they go faster than the legal limit.

To earn enough money in the short time frames when there is work the couriers are required to ride swiftly through pedestrians and traffic. Pedestrians often have headphones on or do not understand the risks to themselves or the couriers by not looking where they are going. Crossing the road or alighting from trams.

Couriers are looking at their phones for navigation purposes and are at risk of being car doored or knocked by cars turning unexpectedly or by pedestrians walking out in front of them.

Do the benefits to consumers and those that engage their services to deliver their food outweigh the risks to the couriers? It depends how you evaluate this, what your measures are.

Additional Feedback

It's complicated. Attempts to help improve their status have so far hindered the so-called contractors. They are clearly exploited workers with no organisational power.

Prior to the TWU intervention and the subsequent court case the top tier of Foodora contracted riders were making up to \$2K on a good week, more than \$1K on a bad week.

Foodora's business model and work practices were shabby. On the down side there were disincentives to taking leave – for holidays or when sick. They lost their place in the top tier and had to work their way up from the bottom. Those on the bottom did not make enough to survive on. The first to be contracted were on high rates. Each wave of contractors was engaged on lower rates and the older contractors on higher rates let go. If they complained they were removed from the roster. They were discouraged from complaining or unionising.

I understand the gun couriers rue the withdrawal of Foodora – those who were strong cyclists and good navigators with a good work ethic and strong commitment to customer service were well rewarded for the risks they took. Maybe not well enough rewarded but better than after they withdrew.

I expect many moved to Uber and Deliveroo where they make less money. Their hourly rates are lower and they don't get the same shifts. They cannot earn as much for the same number of hours worked.

For such workers it is hard to move from that work into other jobs – where applications require work history, supervisors contacts, referees etc. It is not prestigious work.

But more many of the most marginal workers it at least provided an income. A discarded bike on the street is a low barrier to entry.

There should be mandatory insurance paid for by the businesses engaging the couriers (Uber, Deliveroo, etc) to cover injuries – including where a cyclist simply comes off the bike through an error in riding. If they are not hit by a car but simply lose control in a tram track or on a slippery road. No insurance cover then. How can they pay any Ambulance fees, hospital fees? No income protection cover.

Particularly for the most vulnerable – including non-Australian citizens here on student or other visas.

I have been told by a few that they are overseas students enrolled in so called business colleges that charge high fees to students on visas. That they need to work as contractors to pay for worthless qualifications. Our education sector grows at the expense of vulnerable overseas students. \$100K annual fees are not uncommon.

It is unacceptable to let these and other vulnerable workers be exposed to the high risk of physical injury and financial hardship that operates in this unregulated sector of the economy.

Thank you for holding this enquiry.